

**STATE OF MICHIGAN**  
**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**  
**Before the Director of the Department of Insurance and Financial Services**

**In the matter of:**

**Warnars Chiropractic Clinic PLLC**  
**Petitioner**

**File No. 21-1808**

**v**

**Auto Club Group Insurance Company**  
**Respondent**

---

**Issued and entered**  
**this 17<sup>th</sup> day of February 2022**  
**by Sarah Wohlford**  
**Special Deputy Director**

**ORDER**

**I. PROCEDURAL BACKGROUND**

On December 6, 2021, Warnars Chiropractic Clinic PLLC (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for an appeal concerns the determination of Auto Club Group Insurance Company (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Petitioner's appeal is based on the denial of a bill pursuant to R 500.64(3), which allows a provider to appeal to the Department from the denial of a provider's bill. The Respondent issued the Petitioner bill denials on October 7 and 26, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the dates of service at issue.

The Department accepted the request for an appeal on December 28, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on December 28, 2021 and provided the Respondent with a copy of the Petitioner's submitted documents. The Respondent filed a reply to the Petitioner's appeal on January 13, 2022.

The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report and recommendation to the Department on January 28, 2022.

## II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for chiropractic treatments rendered on July 28, 2021; August 4, 11, 19, and 25, 2021; and September 1, 7, 8, 10, 15, 21 and 29, 2021. The Current Procedural Terminology (CPT) codes at issue include 97012 and 98941, which are described as mechanical traction and chiropractic manipulation, respectively. In its *Explanation of Benefits* letter, the Respondent referenced American College of Occupational and Environmental Medicine (ACOEM) guidelines for cervical and thoracic spine and low back disorders and noted that “substantial progression should be documented at each follow-up visit.” The Respondent stated that the treatment exceeded guideline recommendations as the injured person received chiropractic treatment since 2015.

With its appeal request, the Petitioner submitted supporting documentation which identified the injured person’s diagnoses from a December 2005 motor vehicle accident (MVA) as left central asymmetric disc herniation at L5-S1; S1 nerve radiculopathy on the left due to nerve compression; disc bulge/tear at L3-L4; and posterior spondylolisthesis of L3 on L4 with associated ligament damage. The Petitioner explained that the chiropractic treatments at issue have aided the injured person “in the ability to minimize his levels of pain and reach his highest achievable level of function.” The Petitioner noted that the injured person also received concurrent massage therapy and he chooses to rely on chiropractic care and massage therapy “rather than solely rely on pain management and prescription medication.” The Petitioner stated that “due to the consistency of care, the [injured person] and his providers have a great understanding in managing [the injured person’s] condition.”

In its reply, the Respondent reaffirmed its position and referenced ACOEM guidelines for low back disorders and chronic pain. The Respondent noted that, based on the submitted records, the injured person complained of “intermittent discomfort, aching, stiffness, [and] tightness” and that the at-issue treatments exceed guideline recommendations in frequency and duration.

## III. ANALYSIS

### Director’s Review

Under MCL 500.3157a(5), a provider may appeal an insurer’s determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal involves a dispute regarding inappropriate treatment and overutilization.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, medical necessity was not supported on the dates of service at issue and the treatment was overutilized in frequency or duration based on medically accepted standards.

The IRO reviewer is a licensed doctor of chiropractic medicine. In its report, the IRO reviewer referenced R 500.61(i), which defines “medically accepted standards” as the most appropriate practice

guidelines for the treatment provided. These may include generally accepted practice guidelines, evidence-based practice guidelines, or any other practice guidelines developed by the federal government or national or professional medical societies, board, and associations. The IRO reviewer relied on the Council on Chiropractic Guidelines and Practice Parameters (CCGPP) and ODG for Auto Injury guidelines regarding neck and upper back conditions for its recommendation.

The IRO reviewer explained that the CCGPP and ODG guidelines support up to 18 visits of chiropractic care over 6-8 weeks for the injured person's diagnosed conditions and noted that "this includes severe sprains/strains and/or non-progressive radiculopathy." The IRO reviewer further explained that, according to the guidelines, "elective/maintenance care is not considered medically necessary and 1-2 visits every 4-6 months are acceptable for recurrences/flare-ups." The IRO reviewer noted that "guideline criteria support a fading of treatment frequency with the transition to a self-directed home exercise plan." Based on the submitted documentation, the IRO reviewer also noted that the injured person previously underwent more than 50 sessions of chiropractic treatment.

The IRO reviewer opined that the injured person's low back condition was "chronic in nature without documentation to support an acute exacerbation." The IRO reviewer further opined:

Therefore, the chiropractic treatment rendered on [the dates of service at issue] is not supported as being medically necessary. Without documentation to support complicating factors, treatment beyond the recommended treatment frequency and duration protocols (16 years post injury) cannot be supported. Based on the documentation submitted for review, there is indication that the chiropractic treatment rendered was over-utilized in frequency and/or duration pursuant to the generally accepted evidence-based treatment guidelines.

The IRO reviewer recommended that the Director uphold the Respondent's determination that the chiropractic treatments provided to the injured person on July 28, 2021; August 4, 11, 19, and 25, 2021; and September 1, 7, 8, 10, 15, 21 and 29, 2021 were not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).

#### **IV. ORDER**


The Director upholds the Respondent's determinations dated October 7 and 26, 2021.

This order applies only to the treatment and dates of service discussed herein and may not be relied upon by either party to determine the injured person's eligibility for future treatment or as a basis for action on other treatment or dates of service not addressed in this order.

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review

should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox  
Director  
For the Director:

X 

---

Sarah Wohlford  
Special Deputy Director  
Signed by: Sarah Wohlford